

**CITY OF AUSTIN – AUSTIN ENERGY
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA DATE: 3-6-2014

SUBJECT: Authorize negotiation and execution of an agreement with Staybridge Suites, to provide a performance-based incentive for the generation of solar energy at its facility located at 13000 N IH 35 Svc. Rd. SB, Bldg. 9 in Austin, Texas, for an estimated \$12,152 per year, for a total amount not to exceed \$121,520 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$12,152 is included in the proposed Fiscal Year 2013-2014 Operating Budget of Austin Energy.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

FOR MORE INFORMATION CONTACT: Jeff Vice, Director, Local Government Issues (512) 322-6087; Debbie Kimberly, Vice President, Distributed Energy Services (512) 322-6327; Kurt Stogdill, Interim Solar Program Manager (512) 322-6510.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on February 24, 2014, and the Resource Management Commission on February 18, 2014.

Austin Energy requests authorization to enter into an agreement with Staybridge Suites, to provide a performance-based incentive (PBI) for an estimated \$12,152 per year, for a total amount not to exceed \$121,520 over the 10-year period for the generation of solar energy at its facility located at 13000 N IH 35 Svc. Rd. SB, Bldg. 9 in Austin, Texas 78753.

The total installation cost is \$344,756 and the incentive will cover between 34% and 35% of the cost. The PBI level for this project is \$0.10 per kWh for 10 years. The solar equipment, which meets Austin Energy program requirements, includes a total of 273 solar modules rated at 327 watts and associated inverters rated at 96.5% efficiency. A total of 69 kW-AC in demand savings is expected.

This energy improvement will save an estimated 115,732 kWh per year—enough to provide electricity to 10 average Austin homes for a year—and produce an estimated 116 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 1,785 trees or 89 acres of forest in Austin's parks or the removal of 156,028 vehicle miles or 13 cars from Austin roadways. This project will save 77 tons of Carbon Dioxide (CO₂); 97 pounds of Sulfur Dioxide (SO₂); 107 pounds of Nitrogen Oxide (NOX); and 74 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere, and 52,079 gallons of water at the generation power plant (evaporation only).